

**UNITED STATES BANKRUPTCY COURT
WESTERN DISTRICT OF TEXAS
SAN ANTONIO DIVISION**

In re:	§	
	§	Chapter 11
	§	
Memory Care America, LLC	§	Lead Case No. 19-51385
	§	
MCA Mainstreet Tenant, LLC	§	Case No. 19-51384
	§	
MCA Management Company, Inc.	§	Case No. 19-51386
	§	
MCA Westover Hills, LLC	§	Case No. 19-51387
	§	
MCA Westover Hills Operating Company, LLC	§	Case No. 19-51380
	§	
MCA New Braunfels Operating Company, LLC	§	Case No. 19-51381
	§	
Memory Care at Good Shepherd, LLC	§	Case No. 19-51383
	§	
	§	(Joint Administration Requested)
	§	

**EMERGENCY MOTION OF DEBTORS FOR ENTRY OF AN ORDER
DIRECTING JOINT ADMINISTRATION OF CHAPTER 11 CASES**

Memory Care America, LLC (“MCA”) and its debtor affiliates, as debtors and debtors in possession (collectively, the “**Debtors**”) in the above-captioned chapter 11 cases (the “**Chapter 11 Cases**”),¹ respectfully state the following in support of this motion (this “**Motion**”):

¹ A detailed description of the Debtors and their businesses, and the facts and circumstances supporting the Debtors’ Chapter 11 Cases, are set forth in greater detail in the *Declaration of Kenneth Luccioni in Support of Chapter 11 Petitions and First Day Motions* (the “**First Day Declaration**”), filed contemporaneously with the Debtors’ voluntary petitions for relief filed under chapter 11 of title 11 of the United States Code (the “**Bankruptcy Code**”), on the date hereof (the “**Petition Date**”). Capitalized terms used, but not otherwise defined in this Motion shall have the meanings ascribed to them in the First Day Declaration.

RELIEF REQUESTED

1. The Debtors seek entry of an order (the “**Order**”), substantially in the form attached hereto as **Exhibit A**, directing procedural consolidation and joint administration of these Chapter 11 Cases and granting related relief. The Debtors request that one file and one docket be maintained for all of the jointly administered cases under the lead case of MCA and that the cases be administered under a consolidated caption, as follows:

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Memory Care America, LLC, <i>et al.</i> , ¹	§	Case No. 19-51385
	§	
Debtors.	§	(Jointly Administered)
	§	

2. The Debtors further request that this Court order that the foregoing caption satisfies the requirements set forth in section 342(c)(1) of the Bankruptcy Code.

3. The Debtors also request that a docket entry, substantially similar to the following, be entered on the docket of each of the Debtors other than MCA to reflect the joint administration of these Chapter 11 Cases:

“An order has been entered in this case directing the procedural consolidation and joint administration of the chapter 11 cases of Memory Care America, LLC and its affiliates that have concurrently commenced chapter 11 cases. The docket in the chapter 11 case of

¹ The Debtors in these chapter 11 cases, along with the last four digits of each Debtor’s federal tax identification number, are as follows: MCA Westover Hills Operating Company, LLC, 1960; MCA Mainstreet Tenant LLC, N/A; MCA Management Company, Inc., 3290; MCA New Braunfels Operating Company, LLC, 8045; MCA Westover Hills, LLC, 6181; Memory Care America, LLC, 9955; Memory Care at Good Shepherd, LLC, 1527. The Debtors’ mailing address is 2211 NW Military Highway, Suite 201, San Antonio, TX 78213.

Memory Care America, LLC, Case No. 19-51385, should be consulted for all matters affecting this case.”

JURISDICTION AND VENUE

4. This Court has jurisdiction over this Motion pursuant to 28 U.S.C. §§ 157 and 1334. This is a core proceeding pursuant to 28 U.S.C. § 157(b). Venue is proper pursuant to 28 U.S.C. § 1408.

5. The relief sought in this Motion is based upon section 105(a) of the Bankruptcy Code, rule 1015 of the Federal Rules of Bankruptcy Procedure (the “**Bankruptcy Rules**”) and rule 1015(b) of the Local Court Rules of the United States Bankruptcy Court for the Western District of Texas (the “**Local Rules**”).

BACKGROUND

6. On the date hereof (the “**Petition Date**”), each of the Debtors filed a voluntary petition in this Court commencing the Chapter 11 Cases.

7. The factual background regarding the Debtors, including their business operations, their capital and debt structures, and the events leading to the filing of the Chapter 11 Cases is set forth in the First Day Declaration and incorporated herein by reference.

8. The Debtors continue to operate and manage their businesses as debtors in possession pursuant to sections 1107 and 1108 of the Bankruptcy Code.

9. No trustee or examiner, or official committee of unsecured creditors has been appointed in the Chapter 11 Cases.

BASIS FOR RELIEF

10. Pursuant to Bankruptcy Rule 1015(b), if two or more petitions are pending in the same court by or against a debtor and an affiliate, “the court may order a joint administration of the estates.” Here, each Debtor is a wholly-owned or majority-owned direct or indirect subsidiary

of Trident Healthcare Properties I, L.P. The Debtors, therefore, are “affiliates” within the meaning of section 101(2) of the Bankruptcy Code and, accordingly, this Court has the authority to grant the requested relief pursuant to Bankruptcy Rule 1015(b).

11. Joint administration of these Chapter 11 Cases will ease the administrative burden on this Court and all parties in interest. Joint administration of these Chapter 11 Cases will not prejudice creditors or other parties in interest because joint administration is purely procedural and will not impact the parties’ substantive rights.

12. Joint administration is generally non-controversial, and courts in this jurisdiction routinely order joint administration in cases with multiple related debtors. *See, e.g., In re Sanjel (USA), Inc., et al.*, Case No. 16-50778 (Bankr. W.D. Tex. Apr. 5, 2016) [Dkt. No. 38]; *In re American Standard Energy, Corp., et al.*, Case No. 15-70104 (Bankr. W.D. Tex. Aug. 6, 2015) [Dkt. No. 21]; *In re Dune Energy, et al.*, Case No. 15-10336 (Bankr. W.D. Tex. Mar. 10, 2015) [Dkt. No. 37].

13. In addition, in accordance with Local Rule 1015, the Debtors (1) have listed the name and case number of each Debtor and each of the Chapter 11 Cases to be jointly administered as set forth on the attached **Exhibit B**; (2) have set forth the proposed style and case number to be used on subsequent pleadings if joint administration is ordered; (3) submit that no previous administrative or scheduling orders have been filed in any of the Chapter 11 Cases that require modification, and (4) submit that no amended mailing lists will need to be filed as the Debtors have submitted a consolidated mailing matrix.

14. Accordingly, based on the foregoing facts and authorities, the Debtors submit that the relief requested in this Motion should be granted.

NOTICE

15. Notice of this Motion shall be provided to: (1) Debtors, (2) Debtors' counsel, (3) counsel for the unsecured creditors' committee (if any), (4) the United States Trustee, (5) all secured creditors, (6) the Debtors' consolidated list of 30 largest unsecured creditors, (7) the Department of Medicaid, Department of Health, and Division of Health Services Regulation in each state in which the Debtors operate Facilities, (8) any relevant governmental authority, and (9) any party who has filed a notice of appearance.

16. The Debtors respectfully submit that such notice is sufficient and that no further notice of this Motion is required.

NO PRIOR REQUEST

17. No prior motion for the relief requested herein has been made to this or any other court.

WHEREFORE, the Debtors respectfully request that the Court enter an order, substantially in the form attached hereto as **Exhibit A**, (i) directing the joint administration of these Chapter 11 Cases and consolidating them for procedural purposes only pursuant to Bankruptcy Code section 105(a), Bankruptcy Rule 1015(b), and Local Rule 1015-1; and (ii) granting such other and further relief as the Court deems appropriate.

Dated: June 4, 2019
Los Angeles, California

LOEB & LOEB LLP

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*Proposed Counsel to the Debtors and Debtors
in Possession*

Exhibit A

Proposed Order

**UNITED STATES BANKRUPTCY COURT
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**ORDER (I) DIRECTING JOINT ADMINISTRATION OF
CHAPTER 11 CASES, AND (II) GRANTING RELATED RELIEF**

On June 4, 2019, Memory Care America, LLC (“**MCA**”), and certain of its affiliates, the debtors and debtors-in-possession in the above-captioned cases (the “**Debtors**”) filed motions entitled *Emergency Motion of Debtors for Entry of an Order Directing Joint Administration of Chapter 11 Cases* in the above styled and numbered Chapter 11 cases seeking joint administration of such cases (the “**Motions**”). The Court finds that notice was proper and that no party in interest made any response in opposition to the Motions or, if so, the relief requested in any such response was denied for the reasons stated on the record, and further finds that the relief requested in the Motions should be granted.

ACCORDINGLY, IT IS THEREFORE ORDERED, ADJUDGED, AND DECREED that the Chapter 11 Cases of the Debtors be jointly administered in accordance with the terms of this Order, as follows:

1. Nothing contained in this Order shall be construed as directing or otherwise effecting a substantive consolidation of the bankruptcy cases of the Debtors; it is the Court’s intention to jointly administer the bankruptcy cases of the Debtors for procedural purposes only;
2. MCA and the other above-captioned Debtors are to be jointly administered under Case No.19-51385;
3. [Judge] shall preside over these jointly administered cases;
4. The joint caption of the Debtors cases shall read as shown in the attached **Exhibit 1**;
5. All original pleadings shall be captioned as set out above and all original docket entries shall be made in the case of MCA;
6. All proofs of claim shall be filed under the case number representing the Debtor’s estate against which the claim is made;

7. Each of the Debtors shall (a) file separate monthly operating reports, (b) maintain separate financial accounts and records except as allowed by further order of this Court, (c) not be liable for the claims against any of the Debtors by virtue of this Order, and (d) file separate Bankruptcy Schedules and Statements of Financial Affairs;

8. A docket entry shall be made in each of the Debtors' cases substantially as follows:
"An order has been entered in this case directing the procedural consolidation and joint administration of the chapter 11 cases of Memory Care America, LLC and its affiliates that have concurrently commenced chapter 11 cases. The docket in the chapter 11 case of Memory Care America, LLC, Case No. 19-51385, should be consulted for all matters affecting this case.";

9. Debtors shall file a master service list in the MCA bankruptcy case, which includes the (1) Debtors, (2) Debtors' counsel, (3) counsel for the unsecured creditors' committee (if any), (4) the United States Trustee, (5) all secured creditors, (6) the Debtors' consolidated list of 30 largest unsecured creditors, (7) the Department of Medicaid, Department of Health, and Division of Health Services Regulation in each state in which the Debtors operate Facilities, (8) any relevant governmental authority, and (9) any party who files a notice of appearance; and

10. This order shall be served by the Debtors on all parties included on the master service list.

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Submitted by:

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Exhibit 1

Proposed Caption

**UNITED STATES BANKRUPTCY COURT
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Exhibit B

(Sorted Alphabetically)

#	Debtor Name	EIN	Case No.
1.	MCA Mainstreet Tenant, LLC		19-51384
2.	MCA Management Company, Inc.	47-1143290	19-51386
3.	MCA New Braunfels Operating Company,	46-5479608	19-51381
4.	MCA Westover Hills, LLC	47-1206181	19-51387
5.	MCA Westover Hills Operating Company,	47-1181960	19-51380
6.	Memory Care America, LLC	46-0569955	19-51385
7.	Memory Care at Good Shepherd, LLC	45-5166558	19-51383